



May 12, 2009

Department of Finance and Administration
Office of State Procurement
Attn: Jane Benton, Director of State Procurement
1509 West Seventh Street, Suite 300
Little Rock, AR 72201

Re: Sole Source Procurement for Gary Hill
Licensed Wastewater Treatment Operator at Cedar Chemical Company

Dear Ms. Benton:

The Arkansas Department of Environmental Quality (ADEQ) is requesting approval for a Sole Source Technical Services contract between the agency and Mr. Gary Hill, a Class 1 certified operator, of the wastewater operations at the Cedar Chemical site located in West Helena, Arkansas. Mr. Hill has been under a "sole source" contract with the agency since the agency was awarded custodianship of the abandoned site in 2002. Mr. Hill is currently operating under ADEQ contract #FY080001 that expires June 30, 2009. No more extensions are allowed for this contract. ADEQ is requesting Mr. Hill be awarded a sole-source contract for the FY10 period (July 1, 2009 to June 30, 2010).

Below please find ADEQ's justifications for requesting sole source procurement, per R1: 19-11-232 and your August 10, 2006 Memo:

1. Helena/West Helena is a small town with few licensed wastewater treatment operators. The needs of the site require a 40-hour work week by someone familiar with the site. Therefore, based on the universe of licensed wastewater treatment operators in the vicinity of Cedar Chemical Company it was determined that a lack of responsible competition exists.
2. A licensed wastewater operator, familiar with Cedar Chemical Company, is necessary in order to direct storm water from the facility into the wastewater treatment system and out the formerly permitted Outfall 001. Without someone onsite to manage the water, the storm water retention basin and wastewater treatment ponds would overtop their banks causing potentially contaminated water to flow onto adjacent properties.
3. Gary Hill worked for the former Cedar Chemical Company as a licensed wastewater treatment operator until its closure. He is therefore not only familiar with typical wastewater treatment operator duties but he is also familiar with the facility itself, how the Cedar Chemical Company wastewater treatment system was designed and utilized, and the chemicals that were of concern at the site.
4. If this service were to be competitively bid, no one at the Arkansas Department of Environmental Quality would have the knowledge or expertise to train a new wastewater

Ms. Benton
Page 2
May 8, 2009

treatment operator as to how to use the Cedar Chemical Company wastewater treatment system.

5. There are no patent, copyright, or proprietary rights that make this service unavailable from other sources.
6. If the service was no longer available, the Arkansas Department of Environmental Quality would spend considerable resources and manpower attempting to find another former Cedar Chemical Company wastewater treatment operator to assume the duties.
7. Gary Hill has acted in his current capacity as a licensed wastewater treatment operator at Cedar Chemical Company for the Arkansas Department of Environmental Quality for the past seven (7) years. He is not only familiar with the site but he is also familiar with how the agency expects the facility to be maintained. Mr. Hill has been given a very detailed protocol on his duties and obligations to the Department, which is attached.

ADEQ believes Gary's experience and tenure at the site set him apart from any other potential candidates. Please contact James Nunnley, Fiscal Division Chief, at 682-0904 or Ryan Benefield, Deputy Director, at 682-0831 to concur or deny this request.

Sincerely,

Teresa Marks
Director

Enclosures:

- Copy of Purchase Order
- Contract and Grant Disclosure and Certification Form
- Protocol for the Operation of the Cedar Chemical Company Wastewater Treatment Plant by a Class 1 Certified Operator